

Dickey Rural Telephone Cooperative
Dickey Rural Communications, Inc.
Dickey Rural Services, Inc.
Dickey Rural Access, Inc.

June 21, 2004

Marlene H. Dortch, Secretary Federal Communications Commission Office of the Secretary 445 12<sup>th</sup> Street, S.W. Washington, DC 20554

ATTN: John Berresford, Room 3-A662, Media Bureau

Re. Comment on Over-the-Air Broadcast Television Viewers MB Docket No. 04-210

Dear Ms. Dortch:

I am writing to provide the comments of Dickey Rural Services, Inc. on the FCC Media Bureau's proposed options for minimizing the disruption to consumers when the switch-over to digital broadcasting occurs. In particular, the FCC wants to know how it should deal with those over-the-air broadcast television viewers who do not have access to digital televisions or DTV-to-analog conversion equipment when analog broadcasting is ceased. As discussed below, we are in favor of subsidies from future auction revenues, but we are against any imposition of retroactive costs on existing 700 MHz band licensees.

Founded in November 1950, Dickey Rural Telephone was created to bring telephone service to rural southeastern North Dakota. Now, as Dickey Rural Networks, it offers state-of-art telecommunications, Internet and, cable television services. Moreover, Dickey Rural Telephone has evolved to become a state-of-the-art-telecommunications company comprised of four companies--Dickey Rural Telephone Cooperative (the parent company), Dickey Rural Communications, Dickey Rural Services and Dickey Rural Access, marketed as Dickey Rural Networks. Our headquarters are located one mile north of Ellendale, ND. We obtained licenses in the Lower 700 MHz Band Service as a way to improve and expand upon the services that we provide to customers both within and outside of our current operating territory. We hope to begin construction of our 700 MHz band network, and the provision of advanced wireless services to rural consumers, once suitable equipment is available.

We strongly support the Media Bureau's goals of ensuring a timely and predictable end to the DTV transition while at the same time minimizing disruption to consumers. To this end, we believe that government action to facilitate the transition is warranted and the FCC should recommend that Congress design some type of assistance or subsidization program.

We also believe it would be appropriate for the Commission to use <u>future</u> auction proceeds to help pay for such a program. However, the Media Bureau must not look (or recommend that Congress look) to existing 700 MHz band licensees as a source of funding for the conversion of consumers' analog-only equipment or for any other mandatory band-clearing initiatives. We have already paid for our licenses under rules that did <u>not</u> require new licensees to help pay for band-clearing efforts, and we did <u>not</u> have any opportunity to factor these costs into our valuation of the 700 MHz spectrum. The retroactive imposition of relocation costs would be unfair and unduly burdensome to small businesses and rural telephone companies and would delay the introduction of advanced wireless services to rural areas.

Our customers have <u>current</u> needs that can be met by 700 MHz, which is especially well suited to rural areas because of its signal propagation characteristics. To this end, the Commission should take whatever steps are necessary to clear the 700 MHz band of incumbent broadcasters at the earliest possible date. But if our status as a 700 MHz licensee means that we will have to use our limited resources to help pay for the transition to DTV, then these additional costs will make it far more difficult, if not impossible, for us to provide innovative voice and data services at an affordable cost to rural consumers.

Very truly yours,

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Mark Scallon General Manager

cc: Rick Chessen, Media Bureau (Room 3-A726)